

Europe gets DARPA in EDA

EU foreign ministers have agreed on the creation of a European Defence Agency (EDA) to coordinate the bloc's fragmented defence industry.

The EDA's task will be to coordinate hardware purchases, promote EU defence research and end a long tradition of duplication in armaments R&D and procurement. The Council reached political agreement on a Joint Action establishing the European Defence Agency, which should be functioning by year end.

The EDA's four functions are: defence capabilities development; armaments co-operation; the EU defence techno-

logical and industrial base, and defence equipment market; and research and technology. The agency creation is part of a six-year plan to sharpen the EU's military edge in the face of expanding US defence budgets.

With a combined defence budget of €160bn and 1.6m troops, the EU has the world's second-largest military force, yet only €30bn for procurement and €10bn on research at national level, according to the UK Centre for European Reform (CER).

Pooling defence spending could save European governments

€5bn yearly. While the EU spends just under half of US investment in defence, experts say its military capability amounts to only a tenth of what the US gets for its money, due to duplicate and incompatible equipment.

The agency will have a staff of 25; an initial budget of €2m, rising to €25m and 80 employees by 2005.

BAE systems, UK, Thales, France and the French-German group EADS have all backed the creation of the body, but are calling for a 'modest budget' to coordinate research spending among the member states.

ATMI continues to divest

Materials supplier ATMI Inc has continued its divestment strategy by selling its semiconductor fabrication plant parts cleaning services business to Materials Support Resources Inc, a subsidiary of Support Resources Holding supplier of system repair and maintenance for semiconductor manufacturers and equipment suppliers.

The sale includes ATMI operations at five locations, in Arizona, New Mexico, Texas, Oregon, and Ireland.

Back in March, Cree announced it would acquire ATMI's GaN substrate and epitaxy business and was followed by International Rectifier Corp acquiring ATMI's specialty silicon epitaxial services business.

Amtech Systems takes BTI

Amtech has acquired KSEC's BTI (Bruce) semiconductor horizontal diffusion furnace operations and assets in the US and Europe paying \$3.3m in cash and assuming an estimated \$300,000 in liabilities. It will make payments of up to \$1m, contingent on inventories consumption of between \$3.6-\$4.6m.

Amtech acquires KSEC's horizontal diffusion furnace business, including APEX process management software. Amtech will operate in the US as Bruce Technologies-Europe (a division of

Tempress Systems Inc with operations in the Netherlands). The line of horizontal furnaces represents one of the largest installed bases of such equipment in the world.

Amtech Systems manufactures thermal equipment and automation systems. While the majority of its applications are silicon substrates, other materials (such as GaAs wafers, glass substrates, metallic wafers) can be processed when in need of a precisely controlled temperature and atmospheric cycle.

Consumer DVD

Sales of DVD players are booming with world consumers paying up \$20bn on DVD disks last year - double the spend on conventional video cassettes.

The race is on between companies to create DVD players with the maximum possible recording speed and bigger data storage, by creating lasers with shorter wavelengths; developing more powerful lenses to focus the beams; or designing clever new materials that melt and then re-crystallise. Beyond DVD is HD-DVD and Blu-Ray which rely on GaN violet-blue lasers, allowing both types of disk to store 50GB.

Incompatible with existing DVD systems, both recorders will play older CDs and DVDs.

France's joint III-Vs opto MEMS lab

Thales and Alcatel have established a joint research Alcatel-Thales III-V Lab in France, housing some 100 researchers located at either Essonne, or Palaiseau.

At Marcoussis, Essonne, within Alcatel's French research centre, the focus will be on III-V based optoelectronics and microelectronics components for optical fibre transmission (developing InP HBT circuits, laser sources, modulators and

photodetectors) and GaN-based high-frequency, high-power transistors and circuits, modulators, infrared imaging photodetectors and high-power laser diodes.

In Palaiseau, on the campus of the Polytechnique Institute, where Thales' future research centre is located, the concentration will be on components based on III-V technologies which are targeting space and defence applications.

The companies will commercialise the results from the research separately, with their respective industrial partners.

Alcatel and Thales say the lab could also provide other companies with technological expertise and knowledge. "The gathering of these two research units offers great synergy opportunities regarding research infrastructures and tools," says Alcatel's CTO Niel Ransom.